THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.14736 of 2005

ORAL ORDER:

It appears, petitioner-theatres were granted licence for running cinema theatre. In the said licence, rates of admission were fixed by the licensing authority by proceedings dated 16.8.2004. The dispute is as to fixing of rates for higher class (first class), which was fixed at Rs.25/-. However, it appears that in pursuance of G.O.Ms.No.175 dated 2.4.2005, petitioner was asked to reduce the admission fee from Rs.25/- to 20/-. Hence this writ petition.

Clause (e) of para 4 of the said G.O. reads as under:

> "That the Exhibitors shall reduce the admission rate by 30% on the existing rates of admission in respect of higher classes. But, however, they shall observe a ceiling of admission rates for higher classes as stated below:

Theatres located in Municipal Corporation area:

Air conditioned theatres	Rs.40/-
Air cooled theatres	Rs.35/-
Ordinary (other than air-conditioned or air cooled)	Rs.25/-

Theatres located in selection Grade & Spl. Grade Municipalities:

Air conditioned theatres	Rs.30/-
Air cooled theatres	Rs.25/-
Ordinary (other than A.C. or Air cooled Theaters)	Rs.20/-

The guidelines issued in the said G.O. seems to be on the representation made by A.P. State Film Television and Theatre Development Corporation Limited and after making deliberations on the said issue. In this case, admittedly, rates of admission for higher class was fixed by the licensing authority @ Rs.25/-.

The learned counsel for respondents drawn attention of the Court to clause (b) of para 4 of the said G.O. and submitted that the theatre owners are permitted to charge Rs.1/- and Rs.2/- as tax free maintenance charges in respect of non-AC theatres and Air conditioned/Air cooled theatres in the place of existing Rs.0-50 ps. and Rs.1/- respectively. Therefore, petitioner should not have any grievance for reducing the rates of admission for higher class as per G.O.Ms.No.175 dated 2.4.2005. I am not inclined to accept the contention of the learned counsel for respondents. The guidelines issued in G.O.Ms.No.175 are only recommendatory and not mandatory and it is the licensing authority who is supposed to fix the admission fee for higher class.

In the facts and circumstances of the case and also in view of location of theatres in town like Machilipatnam, the admission fee fixed by the licensing authority. The Licencing Authority is not bound by the guidelines issued by G.O.Ms.No.175 dated 2.4.2005, which are only recommendatory and not mandatory.

Under those circumstances, the action of the respondents in trying to reduce the rates of admission for higher class from Rs.25/- to Rs.20/- is arbitrary and illegal. The petitioner-theatres are entitled to collect Rs.25/- for higher class so long as their licenses are valid.

The writ petition is accordingly disposed of. No order as to costs.

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C.V.RAMULU, J

Date: 9.8.2007
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THE HON'BLE SRI JUSTICE C.V.RAMULU

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9.8.2007

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD

THE HON'BLE SRI JUSTICE C.V. RAMULU

W.P.No.14736 of 2005

Date: 9th August, 2007

Between:

Siri Krishna DTS Theatre,
Machilipatnam, Krishna district,
represented by its Managing Partner
and another.

.. Petitioners

And

Government of A.P., rep. by its
Secretary, General Administration (I&PR)
Department, Secretariat, Hyderabad & another.

.. Respondents